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Cc96-105

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March 31, 1997

APR 4 1997

The Honorable Reed Hundt
Chairman, Federal Communications Commission
1919 M Street, N. W., Room 814
Washington, D. C. 20554

Federal Communications Commission
Office of Secretary

Dear Chairman Hundt:

The Telecommunications Act of 1996 contemplates a rapid transition to a more open and competitive telecommunications marketplace. However, it wisely emphasizes that advanced telecommunications are of little value if they are not available at affordable rates in all regions of the country. Congress clearly provides in the Act that urban, rural, and Insular services and rates must be reasonably comparable and that all service providers who benefit from a more extensive, universally available telecommunications system should contribute to universal service. Therefore, as your Commission works to implement the Act, the undersigned western governors urge you to carry out its mandate ardently and completely. The Universal Service Fund you finally establish must actually help those Congress intended it to help.

The Universal Service Fund is critical to the West. Each of our states and territories have areas in which low population density and vast geography combine to make basic telecommunications service costs quite high. These areas are especially vulnerable to the loss of universal service support. In each of our states, the need for basic services and the demand for more sophisticated services are not confined to larger urban areas but are also strong in rural areas. We are therefore extremely concerned that the universal service funding mechanism your Commission is about to put in place may not provide the vital protection intended by the Act.

For example, your recent comments indicate that universal service support should come from interstate only revenues. This would leave the states to cover as much as three-fourths of the nation's universal service costs. Such a limited support mechanism would fail to recognize a substantial portion of the nation's need for universal service support and would produce a fund incapable, because of its limited sources of financial support, of fulfilling the intent of the Act. High-cost areas would suffer immediately, and local telephone rates would begin to increase. Infrastructure upgrading programs would be canceled. Unaided, state universal service funding mechanisms, where they exist, generally will not be able to provide the necessary resources. Contrary to the policy of the Act, we could begin to see the "haves" begin to move apart from the "have nots." This is not an issue of the East versus the West. Like the development of the interstate highway system, it is an issue of interconnection for businesses and people throughout the nation.

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WESTERN GOVERNORS' ASSOCIATION

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Chairman

Roy Romer
Governor of Colorado
Vice Chairman

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Executive Director

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The Honorable Reed Hundt

March 31, 1997

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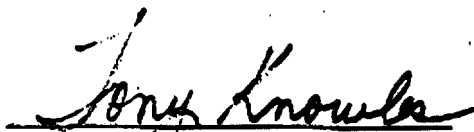
Our concerns over this issue are substantial and real. In our states, we have seen infrastructure projects stopped dead by proposed changes in federal universal service funding that would freeze federal support at *past* investment levels for rural telephone companies. We support responsibly designed universal service support mechanisms, and we realize an inadequate federal support mechanism would insure that important infrastructure projects would be canceled or that local rates would be driven up to allow companies to meet current service commitments.

We urge you to create a fund that is meaningful in size and that is capable of realistically addressing universal service needs. In accord with the Act, every telecommunications service provider should be required to contribute to the fund. Any company, regardless of its size, that serves high-cost areas, as well as schools, libraries, and health care providers, should be able to draw support from the fund. We must remember that it is the customer, not the particular company, that must be the focus of your concern and for whom service should be universally affordable and available.

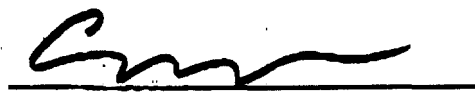
The federal funding mechanism must be capable of identifying and dealing with the realities of our telecommunications system and what is needed to attain the Act's universal service goals. A combined interstate and intrastate funding mechanism would be better able to identify all of the nation's universal service needs and mobilize all of the resources available to meet them. Likewise, imposing a cap on the fund would defeat its purpose.

Anything less than a genuine effort to support universally available, affordable and technologically competent telecommunications service significantly diminishes the value of the nation's telephone system for everyone. Thank you for your attention to this critical issue.

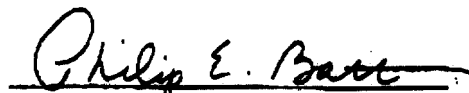
Sincerely,



Tony Knowles
Governor of Alaska



Carl T. C. Gutierrez
Governor of Guam



Philip Batt
Governor of Idaho



Marc Racicot
Governor of Montana

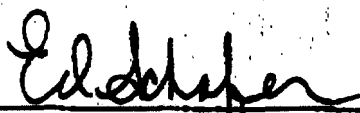
The Honorable Reed Hundt
March 31, 1997
page three



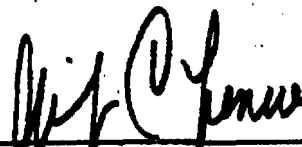
E. Benjamin Nelson
Governor of Nebraska



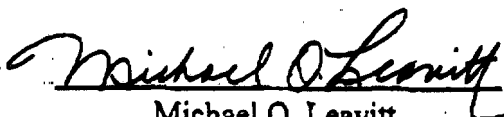
Gary Johnson
Governor of New Mexico



Edward T. Schafer
Governor of North Dakota



Froilan C. Tenorio
Governor of Northern Mariana Islands



Michael O. Leavitt
Governor of Utah



Jim Geringer
Governor of Wyoming

cc: National Rural Telecom Association
Organization for the Promotion and Advancement of Small
Telecommunications Companies
National Telephone Cooperative Association
United States Telephone Association
US West Communications, Inc.
Guam Telephone Authority
Members, Senate Commerce, Science, and Transportation Committee
Congressman Tom Bliley, Jr.
Congressman John Dingell

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CC 96-45

REFORM PARTY

National Organizing Committee

P.O. Box 9

Dallas, Texas 75221

Russell J. Verney, Chair
Dale Welch Barlow, Vice Chair

TEL: (972) 450-8800
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Jim Mangia, Secretary
Carl Owenby, Treasurer

April 1, 1997

Chairman Reed E. Hundt
Federal Communications Commission
1919 M Street, NW
Washington, DC 20554

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Federal Communications Commission
Office of Secretary

Dear Chairman Hundt and Members of the Commission:

As the Commission considers awarding use of the public's airwaves to private profit making companies, I urge you to place an enforceable requirement on the broadcasters to provide free broadcast time to political candidates.

The high cost of elections in this country are primarily driven by the cost of electronic advertising. This Commission has a unique opportunity to reduce the cost of campaigns and elevate the level of discourse in campaigns from 30 second sound bytes to meaningful statements from actual candidates. This Commission can require broadcasters to provide public service television time in return for the billions of dollars of "corporate welfare" the broadcasters will receive when they are granted the sole use of frequencies within the public's airwaves.

In the past, broadcasters have utilized their access to huge viewing audiences in a time period just prior to evening prime time to earn huge profits from reruns of Gilligan's Island or Double Jeopardy. That time period, during short defined campaign seasons, could be of a much greater civic value if it is made available as a public service to candidates for elective office.

Public service television time for political campaigns should be required when the new digital television licenses are awarded by the FCC. In addition, the provision for public service time should be included in any license renewal evaluation process regardless of the spectrum. This required public service commitment should be specific and enforceable, with strong penalties for noncompliance.

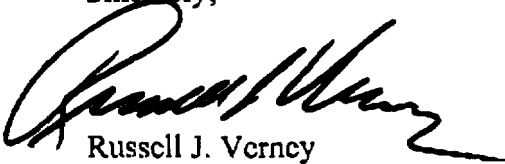
Public service time for political campaigns must be evenly divided between all candidates who meet reasonable minimum thresholds. These thresholds should be determined by a nonpartisan commission comprised of representatives from third parties, as well the Democrats and

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April 1, 1997

Republicans. The American public is closely watching the outcome of this licensing process.

I urge this commission to require the broadcasters to provide public service television time in exchange for the profitable use of our airwaves.

Sincerely,

A handwritten signature in black ink, appearing to read "Russell J. Verney", written in a cursive style.

Russell J. Verney
Chairman



RURAL TELEPHONE FINANCE COOPERATIVE
2201 Cooperative Way · Herndon, Virginia 20171-3025
703-709-6700

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APR 4 1997

Federal Communications Commission
Office of Secretary

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March, 31, 1997

The Honorable Reed Hundt, Chairman
Federal Communications Commission
1919 M St., NW, Room 814
Washington, D.C. 20554

RE: Report No. 96-100, Joint Board Universal Service Recommendations,
CC Docket 96-45

Dear Chairman Hundt:

The Rural Telephone Finance Cooperative (RTFC) is extremely concerned about the universal service recommendations of the Federal-State Joint Board. The transition proposals could adversely affect the quality of service to many rural Americans, potentially require significant local service rate increases, and could even threaten the financial viability of a number of rural telephone companies.

The Joint Board's recommended decision would terminate support for most business lines, second residences and second lines in residences in high cost areas. This would mean a reduction in universal service funding from current levels and create pressure to increase local service rates - not one of the intended outcomes of the Telecommunications Act of 1996.

The Joint Board's proposal to freeze federal universal service support (Universal Service Fund, Dial Equipment Minutes and Long-Term Support) on a per-line basis only works for telephone companies serving high growth areas. For most rural telcos the per-line frozen support will serve to discourage investment in the telecommunications infrastructure. Thus the Joint Board has created a system of "winners and losers". Especially penalized will be those rural telcos that have acquired GTE or US West rural exchanges and are under state PSC mandates to modernize the infrastructure. Since 1994 RTFC has financed approximately 50 such acquisitions in the amount of \$500 million. Under the Joint Board's proposal each of these companies will have to seek a waiver from the Commission in order to be assured of cost recovery to support infrastructure modernization.

As reported in the trade press, John Staurulakis, Inc. has conducted a study of 80 of its rural telco clients and found that, under the Joint Board's proposal they would experience

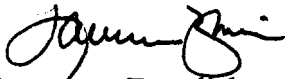
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a weighted average loss of \$2.79 per access line, per month - a decrease of 17%. The most rural, high cost companies could lose revenues of \$27 per access line per month.

A far more equitable plan has been proposed by the four national telephone trade associations. Under that plan all lines would be eligible for universal service support as they are today. The Joint Association Transition Plan proposes that the interstate allocation factors for USF, DEM and LTS be frozen, but the underlying costs be allowed to grow, as the infrastructure must grow in order to provide modern, reliable service to rural Americans.

Even the state Joint Board members have now seen the wisdom of the associations' recommended approach and recommended adoption of the Joint Association Transition Plan. RTFC believes this is a sound plan for the transition of small rural telephone companies to a proxy model. We urge the Commission to reject the Joint Board's universal service recommendations and adopt the Joint Association Transition Plan.

Sincerely,



Lawrence Zawalick

Vice President of Business Development

cc: Commissioner Chong
Commissioner Ness
Commissioner Quello

JON-PAUL RODEN
Teacher-Consultants in Education and Information Technology

EX PARTE OR LATE FILED

March 29, 1997

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APR 4 1997

Federal Communications Commission
Office of Secretary

The Honorable Reed Hundt, Chairman
Federal Communications Commission
1919 M Street, NW, Room 844
Washington, DC 20554

RE: CC Docket No. 96-45

Dear Chairman Hundt:

As the Department Chair for Computer Science in the Vernon, Connecticut Public Schools, I would like to thank you for your leadership in attempting to ensure that all schools and libraries will have affordable access to the Information Superhighway.

The Telecommunications Act and the Federal-State Joint Board discount plan will guarantee that even the poorest schools will have the opportunity to connect to the Internet and provide distance-learning opportunities. The \$2.25 billion a year will start to address the needs of all our schools, and importantly, the plan will bring services directly to the classroom where students learn. Your inclusion of internal classroom connections for discounts is vital.

During the past two years, I served as one of the fourteen members of the Connecticut General Assembly's Task Force on Educational Telecommunications. During all of our meetings, the importance of being able to connect to the Internet at rates that schools can afford consistently was brought forward as one of the most essential elements for preparing an educated workforce with 21st century skills.

Our students need deep discounts for telecommunications services this year. I urge the FCC to fully support of the Joint Board's discount plan for universal service for schools and libraries.

Sincerely,



Jon-Paul Roden

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CC96-45

510 Cedar Avenue
Warroad, MN 56763

(218) 386-1472
Fax: 386-1909

Independent School District No. 690

John V. Reishus, Superintendent, 386-1472
David Kragness, High School Principal, 386-1820
Charles Woolcock, Middle School Principal, 386-1877
Ronald J. Ditsch, Elementary Principal, 386-1776
Emily Turner, Business Manager, 386-1472
Warren Keller, Comm. Ed/Activ. Dir., 386-2256

Art Brandli, Chairperson
Liz Hardwick, Vice-Chairperson
Philip Heppner, Clerk
Barry Guffrock, Treasurer
Maury Peterson, Director
Mohrbacher, Director

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Federal Communications Commission
Office of Secretary

EX PARTE OR LATE FILED

April 3, 1997

The Honorable Reed Hundt, Chairman
Federal Communications Commission
1919 M Street NW, Room 844
Washington, DC 20554

Post-It™ brand fax transmittal memo 7671		# of pages > 1
To: Honorable Reed Hundt	From: John V. Reishus	
Co: Fed Comm. Comm.	Warroad Schools	
Dept.	Phone # 218-386-1472	
Fax # 202-418-2801	Fax # 218-386-1909	

Dear Chairman Hundt:

I am the Superintendent of a remote rural school district in northern Minnesota. I thank you for your concern for ensuring that all school districts will have affordable access to the Information Superhighway.

The Telecommunications Act and the Federal-State Joint Board decision will guarantee that all school districts will have the opportunity to connect to the Internet and provide distance-learning opportunities.

Warroad is a remote rural school district serving 1600 Pre K - 12 students plus 150 adults taking community education and college classes. Due to distance to the urban centers, we are trying to do more to connect our students to the world. Currently, we are in the process of connecting to the Internet with a T-1 cable that will also provide us with 2-way interactive television connections. The annual service cost of the T-1 cable will be \$30,000 on top of the \$21,000 we currently pay for communication lines.

The Telecommunications Act will certainly make it easier to complete the communication system we are seeking and the system our learners need to receive the necessary training to be productive citizens in this fast paced world.

I applaud you for your vision of our country's future and your concern for today's learners.

Sincerely,



John V. Reishus
Superintendent

JVR/rg

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School District of Pickens County

OFFICE OF THE
SUPERINTENDENT



(803) 855-8150
(803) 868-2362
District FAX: 855-8159

1348 GRIFFIN MILL ROAD • EASLEY, SOUTH CAROLINA • 29640

April 2, 1997

EX PARTE OR LATE FILED

The Honorable Reed Hundt, Chairman
Federal Communications Commission
1919 M. Street, NW Room 844
Washington, DC 20554

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APR 4 1997
Federal Communications Commission
Office of Secretary

RE: CC Docket No. 96-45

Dear Chairman Hundt:

I am superintendent of schools for the School District of Pickens County in Pickens County, Easley, South Carolina, 29640. I thank you for your dedicated work to ensure that all school districts will have access to the information highway. This is a valuable information/teaching tool as we prepare students for the twenty-first century.

The Telecommunications Act and the Federal-State Joint Board decision will guarantee that all school districts will have the opportunity to connect to the internet and provide distance-learning opportunities. The \$2.25 billion a year will address the needs of all our schools, and will bring services directly to the classroom where students learn. Your inclusion of internal classroom connections for discounts is vital.

We need the discounts for student telecommunications services this year. I urge the FCC to fully support the Joint Board's discount plan for universal service for schools.

Sincerely,

W.D. Hucks, Ed.D.
Superintendent

WDH:gg

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